

TWO-X FLEX ASSET

Two-X Flex Guidelines

Loan Amount	PRIMARY RESIDENCE (1-4 UNIT)				SECOND HOME (1-UNIT)				INVESTMENT (1-4 UNIT)			
	PURCHASE R/T		CASH-OUT		PURCHASE R/T		CASH-OUT		PURCHASE R/T		CASH-OUT	
	MAX LTV/CLTV	MIN FICO	MAX LTV/CLTV	MIN FICO	MAX LTV/CLTV	MIN FICO	MAX LTV/CLTV	MIN FICO	MAX LTV/CLTV	MIN FICO	MAX LTV/CLTV	MIN FICO
\$2.5MM	75%	700										
	70%	680										
\$2.0MM	75%	700										
	70%	680	70%	720	70%	700			70%	720		
	65%	660							65%	700		
\$1.5MM	80%	720			80%	720						
	75%	700	75%	720	75%	700						
	70%	680	70%	700	70%	680			70%	700		
	65%	660							65%	680		
\$1.0MM	90%	720										
	80%	700	80%	720	80%	720						
	75%	680	75%	700	75%	700			75%	720		
	70%	660	70%	680	70%	680						

PROGRAM GUIDANCE

Income Type	Most recent 6 months of personal asset statements (VOD not permitted, AccountChek eVOA not permitted)
Loan Amounts	MIN \$100K, MAX \$2.5M
Max Cash Out	Primary Only – LTV > 65% \$500K, LTV ≤ 65% Unlimited
Property Type	1-4 Units, PUDs, FNMA Warrantable Condos
Max DTI	50% (Follow guidelines for any additional restrictions)
Seasoning	All assets must be sourced and seasoned for 6 months
Employment	<ul style="list-style-type: none"> Asset - Income from employment not permitted to be listed on application except in combination of Full Doc Income Full Doc with Asset – Income from employment in combination with Assets

QUALIFYING INCOME-ASSET

Eligible Assets	ACCOUNTS	PERCENTAGE OF INCOME
	Checking, Savings, Money Market	100%
	Stocks, Bonds, Mutual Funds	75%
	Retirement Assets	70% under 59 ½, 80% if at least 59 ½
Calculation Method	Eligible assets <i>less</i> cash to close, outstanding loans, and reserves ÷ 84 months = Qualifying Income	
MIN Required Assets	Greater of \$450,000 qualifying assets or 1.5 times loan amount	

QUALIFYING INCOME-FULL DOC WITH ASSET

Calculation Method	Eligible assets <i>less</i> cash to close, outstanding loans, required reserves ÷ 84 months = Amount added to Income	
MIN Required Assets	\$250,000 qualifying assets	

CREDIT

Credit Event Seasoning	BK, FC, SS, DIL: 4 years					
Housing History	0x30 most recent 12 months					
First Time Home Buyer	Primary residence, 1-unit only, additional reserves required					
Standard Reserves	≤ \$1.0MM	6 Months	>\$1MM ≤ \$1.5MM	9 Months	> \$1.5MM	12 Months
	Living Rent Free or FTHB					
	≤ \$1.0MM	6 Months	>\$1MM ≤ \$1.5MM	9 Months	> \$1.5MM	12 Months
Additional Reserves <i>In addition to Standard</i>	Additional Properties Owned		PR Converting to 2nd Home		PR Converting to INV	
	2 Mo. Each financed REO		6 Mo.		2 Mo.	
Minimum Contribution	LTV ≤ 70%	None	LTV >70% and PR/2 nd	5%	INV	All
Secondary Financing	Permitted – must meet LTV/CLTV program requirements					
Terms	Fixed 30 year, ARMs 5/6, 7/6					
I/O Amortization	30 year w/ 20 year AM, 40 year w/ 30 year AM, 5/6 ARM w/ 20 year AM, 7/6 ARM w/ 20 year AM (<80% LTV or 5% LTV reduction Min 680)					
ARMs Margin & Index	Margin: 3.5% Index: 30 Day Average SOFR <ul style="list-style-type: none"> 5/6: Qualify at the higher of Note rate plus 2% or fully indexed rate 7/6: Qualify at the higher of Note rate or fully indexed rate 					